PROCEEDINGS OF THE PRE-BID MEETING HELD ON 04.07.2024

BENGALURU METROPOLITAN TRANSPORT CORPORATION

CENTRAL OFFICES, K.H.ROAD, SHANTINAGAR, BENGALURU-560 027.

PROCEEDINGS OF THE PRE-BID MEETING HELD ON 04.07.2024 IN RESPECT PROCUREMENT OF TYRE, TUBE & FLAP SETS, TUBELESS TYRES AND ADDITIONAL TUBES & FLAPS.

Ref: BMTC/2024-25/IND0081 Dtd.15.06.2024.

Members Present:

1) The Chief Mechanical Engineer, BMTC.
2) Controller of Stores and Purchases, BMTC.
3) Dy.Chief Accounts Officer, BMTC.

Prospective Bidders participated through online:

1) Sri.Vijay Sabal , Representative of M/s.Ceat Ltd.
2) Sri.Manikandan, representative of M/s.MRF Ltd.
3) Sri.Vidya Sagar, representative of M/s.JK tyre & Industries.

1. The pre-bid meeting was held on 04.07.2024 @ 11.30Hrs in the presence of the COS&P, Dy.CAO under the Chairmanship of the CME, BMTC.

2. The COS&P initiated the meeting by welcoming the members and representatives of the firms present in the meeting.

3. The COS&P brought the following points for information of the committee:
   a. The tender vide no.BMTC/2024-25/IND0081 is invited for "procurement of tyre, tube & flap sets, tubeless tyres and additional tubes & flaps as per the requirement received from the Mechanical Department with duly approval of the Managing Director.
   b. The tender is invited with revised pre-qualification criteria and other terms & Conditions, as approved by the CMG KSRTC meeting held on 31.05.2024 by issuing addendum on 02.07.2024.

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(A) Pre-qualification Criteria:

Sl No	Pre-Qualification Criteria
1	The tenderer should be a registered tyre manufacturer
2	**For 09.00x20 Radial TTF:** The tenderer should be a 09.00x20 Radial Tyre manufacturer who must have supplied the 09.00x20 Radial Tyre, Tube and Flap up to at least 80% of tendered quantity **(160 sets)** to Chassis manufacturers/ STU's/ all their vendors including their dealers/ open market in any one of the last 3 years **(i.e., 2021-22, 2022-23 and 2023-24).** **For 10.00x20 Radial TTF:** The tenderer should be a 10.00x20 Radial Tyre manufacturer who must have supplied the 10.00x20 Radial Tyre, Tube and Flap up to at least 80% of tendered quantity **(3068 sets)** to Chassis manufacturers/ STU's/ all their vendors including their dealers/ open market in any one of the last 3 years **(i.e., 2021-22, 2022-23 and 2023-24).** **Tubeless Radial Tyre of size 295/80R, 22.5" :** The tenderer should be a tyre manufacturer who must have manufactured, tested and supplied the Tubeless Radial Tyre of size 295/80R, 22.5" up to at least 80% of tendered quantity **(1880 numbers)** to Chassis manufacturers/ STU's/ all their vendors including their dealers/ open market in any one of the last 3 years **(i.e., 2021-22, 2022-23 and 2023-24).** **Tubeless Radial Tyre of size 235/75R, 17.5"** The tenderer should be a tyre manufacturer who must have manufactured, tested and supplied the Tubeless Radial Tyre of size 235/75R, 17.5" up to at least 80% of tendered quantity **(540 numbers)** to Chassis manufacturers/ STU's/ all their vendors including their dealers/ open market in any one of the last 3 **years (i.e., 2021-22, 2022-23 and 2023-24).** **Tubeless Radial Tyre size 215-75R 15"** The tenderer should be a tyre manufacturer who must have manufactured, tested and supplied the Tubeless Radial Tyre of size 215-75R 15" up to at least 80% of tendered quantity **(120 numbers)** to Chassis manufacturers/ STU's/ all their vendors including their dealers/ open market in any one of the last 3 **years (i.e., 2021-22, 2022-23 and 2023-24).**
3	**Turnover:** The supplier should have average annual turnover (from the sale of Tyre, Tube, Flap and/ or Tubeless Tyres) of not less than the estimated cost of the tender **(i.e., Rs. 16.00 crores)** during last 3 preceding financial years (i.e., 2020-21, 2021-22 and 2022-23). In respect of Micro and Small Enterprises, the turnover criteria is as under. The minimum average annual turnover (from the sale of Tyre, Tube, Flap and/ or Tubeless Tyres) of tenderer (Micro and Small Enterprise) should be 50% of the estimated cost of tender **(i.e., Rs. 08 crores)** during last 2 preceding financial years (i.e., 2021-22 and 2022-23).

B) Evaluation Criteria

Sl No	Evaluation Criteria
1	**Calculation method of past performance of 295/80R, 22.5" Tubeless Tyre and 10.00x20 Radial tyre, tubes & flaps set:** The Historical data of Tyres i.e., weighted average km performance of whole tyre life for the preceding **20 quarters** as per the statement provided by System Department/Statistical department of BMTC to be taken for evaluation on the past performance for CPKM calculation.

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2	**For 09.00x20 Radial TTF set:** The order will be placed on tenderer who quotes lowest end price per TTF set, subject to fulfilling the pre-qualification criteria(on the basis of absolute L-1 price quoted). **For 235/75R, 17.5" and 215-75R 15" Tubeless Tyre:** The order will be placed on tenderer who quotes lowest end price per tyre, subject to fulfilling the pre-qualification criteria(on the basis of absolute L-1 price quoted). **For 10.00x20 Radial TTF and 295/80R,22.5" Tubeless tyres:** The orders will be placed on the eligible firms whose calculated cost per km (CPKM) comes to be the lowest, subject to fulfilling the pre-qualification criteria and other terms & conditions of tender. The cost per Km (CPKM) will be worked out on the total life of respective make and size Tyres as per the following formula **COST PER KM PER TYRE FORMULA:** **For 10.00 x20 Radial Tyre, tube and Flap:** **Formula:** [Total Price quoted by bidder for 10.00x20 TTF set + (Price quoted by bidder for Additional Tube X 0.5) + (Price quoted by bidder for Additional Flap X 0.75)] ÷ (Weighted average KM of **20 Quarters** of particular make and size of tyre)] **For 295/80R,22.5" Tubeless tyres** **Formula:** [The price quoted by bidder for 295/80R,22.5" Tubeless Tyre] ÷ (Weighted average KM of **20 Quarters** of particular make and size of tyre)] TOTAL MILEAGE = Total Tyre Mileage for particular make and size of Tyre (i.e., Initial New Tyre Mileage + Retread Mileage of number of processes processed). Weighted average total tyre mileage for the preceding **20 quarters** for particular make and size of tyre as per the statement provided by the Statistical Department of BMTC will be considered for CPKM calculation. The mileage data furnished by the Statistical Department is binding on the supplier unconditionally and shall not be disputed.
3	**Sample size** ➢ **10.00x20 Radial TTF** = 1000 Tyres. ➢ **Tubeless Radial tyres of size 295-80R 22.5"** = 300 Tyre
4	**Evaluation Criteria for Additional Tube & Flaps:** a) Additional Tube and Flaps required for 10.00x20 radial tyres will be procured from the bidders whose evaluated rates are lowest on CPKM basis. b) Additional Tube and Flaps required for 09.00x20 will be procured from the bidders whose evaluated rates are lowest.

C) Other terms and conditions

Sl No	Terms and conditions
1	**Supply performance:** Failure to supply the TTF sets and additional Tube and Flaps as per the delivery schedule furnished in the purchase order OR the delivery schedule furnished by the divisions/consignee and non-completion of the ordered quantity would lead to disqualification in the future tenders besides forfeiting the EMD and invoking Risk Purchase Clause

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	The Corporation would cancel the Letter of Intent/Purchase Order at any point of time for deficiency in the supply and quality performance. In such case the purchase order would be placed on the next available source by invoking risk purchase clause including recovery of liquidated damages suffered by the Corporation besides barring the supplier from participating in two future tenders.
2	**Performance Guarantee Kilometres for all sizes tyres:-** i. 09.00 * 20 16PR Radial – 1,20,000 kms (no joint inspection) ii. 10 .00 * 20 16PR Radial - 1,30,000 Kms (no joint inspection) iii. 295-80R 22.5 Radial Tubeless - 1,50,000 Kms (no joint inspection) iv. 235-75R 17.5 Radial Tubeless -95,000 Kms (no joint inspection. v. 215-75R 15"Radial Tubeless - 90,000 Kms (no joint inspection)
3	**Warranty claim** • In respect of premature failed tyre due to manufacturing/material defects (on the basis of wear and tear of Non-skid depth), the replacement shall be made on prorate basis with new tyre. The cost of new tyres to the extent of wear and tear of NSD will be borne by the corporation. • After the Joint inspection of these tyres necessary approval to be obtained from the CME, BMTC for New tyre claims.
4	**Prorata Recovery:** **a) Period** ➢ 09.00 * 20 16PR Radial-18 months from the last tyre supplied. ➢ 10 .00 * 20 16PR & 235-75R 17.5 Radial Tubeless - 19 months from the last tyre supplied. ➢ 295-80R 22.5 Radial Tubeless - 24 months from the last tyre supplied. ➢ 235-75R 17.5 Radial Tubeless - 15 months from the last tyre supplied. ➢ 215-75R 15"Radial Tubeless- 15 months from the last tyre supplied. ➢ And Prorata calculation to be done within 03 months thereafter **b) Modalities** The prorata calculation will be done at corporate level based on the Km performance statement of all the removed tyres received from the divisions irrespective of reasons for removal. Similar to PCTR. Only the tyres damaged due to impact of stone, bolt, nail hit etc., should be excluded. No joint inspection of tyres with respect to Kms performance **c) Prorata recovery Formula for the Shortfall in Kilometers** The tyres have to achieve Performance Guaranteed Kms failing which the prorata cost of respective tyres (end rate) for uncovered Kms to be recovered from pending bills or security deposit. Prorata Recovery formula (for 9.00x20 & 10.00 X 20) $= \frac{\text{Cost of the TTF (End rate) X total uncovered Kms}}{\text{Guaranteed kms}}$ Prorata Recovery formula (for 295-85R 22.5 & 235-75R 17.5& 215-75R 15) $= \frac{\text{Cost of the Tyre (End rate) X total uncovered Kms}}{\text{Guaranteed kms}}$ **d) Other actions to be initiated on suppliers in case of under achievement and not agree to settle prorata –** In such cases bank Guarantee should be forfeited and black listed for 02 future tenders.
5	**Age of Radial Tyres, Tubeless Radial tyres and additional Tubes & Flaps:** The 10.00x20 Radial Tyres & 09.00x 20- 16 PR Radial TTF Sets to be supplied to BMTC should not be older than three months from the date of manufacture. 295/80R, 22.5" & 235/75R, 17.5" & 215-75R 15" Tubeless Tyres to be supplied to BMTC should not be older than **three months** from the date of manufacture.

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	The Tubes and Flaps (including Tubes & Flaps which are supplied along with tyre as set as well as additional tubes & Flaps) to be supplied to BMTC should not be older than six months from the date of manufacture.
6	**Price Fall Clause:** The firm shall inform BMTC in writing by e-mail within 10 days positively if lower rate (s) and / or any better terms & conditions under similar conditions are offered to any STU member or any Govt. /Semi Govt. owned organization directly or by any of its Sole Selling Agent/ Distributor for which this contract is established. BMTC shall have the right to take any action as stipulated under Fall Clause of tender documents in the event of firm not informing the lower rate (s) and / or any better terms & conditions within 10 days positively. During the period of contract, the supplier should show no discrimination to the Corporation by offering lower rates and/ or any better terms & conditions to any STU member or any Govt. /Semi Govt. owned organization under similar conditions. If any offer is made by the supplier at the lower rates and/ or better terms & conditions under similar conditions, in that case, lower rates and / or better terms and conditions would be applicable on supplies to BMTC with effect from the date of such offers made at lower rates and / or better terms and conditions to any STU member or any Govt. /Semi Govt. owned organization and such benefit shall be passed on to BMTC.

4. The COSP, BMTC has enquired the bidders regarding any queries about the Pre-qualification criteria, evaluation criteria and other terms and conditions of the tender documents.

5. Sri.Vidya Sagar, representative of M/s.JK tyre & Industries has requested to remove the kilometers guarantee clause and also informed that none of the companies will not agree for the guarantee kilometers.

6. Sri.Vidya Sagar, representative of M/s.JK tyre & Industries has also requested to incorporate 100% advance payment with 2% of invoice value PPD (prompt payment discount) instead of 15 days payment, which is already incorporated the KKRTC tender.

7. The COSP, BMTC informed the committee that the request will be placed before the committee and same will be intimated.

8. Sri.Vijay Sabal , Representative of M/s.Ceat Ltd has informed the committee that:
   a. The millage warranty clause of the STU's may not be accepted.
   b. The performance of the tyres depends on the Road conditions, Load and quality of the retread materials used.

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c. The prorata calculation is done at corporate level based on the STU records without joint inspection and only the tyres damaged due to impact of stone, bolt, nail hit are excluded and same is not acceptable.
d. The tyre manufacturer will not supply the separate quality of tyres to STU's.
e. In the tender, the payment clause is 15days, but the payment is not made as per the clause.
f. Requested to provide the CPKM details of the all manufactures in the tender itself, which helps to quote rate accordingly.
g. In the tender for 235 tubeless tyres, only 14PR is included and requested to include 16PR also in the same.

9. The COSP, BMTC informed the committee that the CPKM details may be provided and regarding removal of guarantee kilometers & prorata clause will be placed before the committee and the decision of the committee will be intimated.

10. Sri.Manikandan, representative of M/s.MRF Ltd has informed the committee that
    a. To remove the Guarantee kilometers clause.
    b. To include advance payment clause in the tender.
    c. Delivery schedule of 4weeks.

11. The COSP, BMTC informed that the advance payment cannot be done and delivery schedule will be provided before 15days & regarding removal of guarantee kilometers clause, will be placed before the committee and the decision of the committee will be intimated.

12. The meeting concluded with thanks to the chair.

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